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HB 4895

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1. HB 4895 prohibits the Michigan Liquor Control Commission (MLCC) from changing its rules to allow motor fuel locations from selling common sales (beer/wine/fuel) at Special Designated Merchants (SDM).
2. HB 4895 is flawed in that allows common sales (beer/wine/fuel) at Special Designated Merchants (SDM) in areas where it has previously been prohibited, but does not allow all motor fuel retailers the option, therefore it does not create a level playing field by allowing all to compete fairly.
3. Currently, the MLCC can issue as many beer and wine (SDM) licenses as it desires, except in certain circumstances. One of those circumstances is if motor fuel pumps are present. Except in very narrow and antiquated situations, common site sales are prohibited.
4. There are over 1,000 SDM locations that sell motor fuel today, some of which are in urban areas.
5. Historical situations and current law has created a patchwork of locations with and without SDM licenses. A 1981 circuit court decision created a legal loophole to allow hundreds of locations to obtain beer and wine licenses and these licenses are grandfathered. The MLCC closed that loophole by rule in 1985. The Legislature then passed bills to allow big box retailers an exception so that they could still sell in the big store. HB 4895 creates a loop-hole so big box retailers can have an advantage over smaller competitors and sell beer/wine at the gas station by using the anchor store inventory.
6. Currently, depending on what side of the street you are on may decide if you can sell these products. Current law prohibits many motor fuel retailers from receiving an SDM, and many SDM licensees from selling motor fuel. HB 4895 would allow big box retailers to sell at their gas stations.
7. Many motor fuel retailers (approximately 25%) will not want the added expense and operational responsibility of common sales. However that should be their choice.
8. There is no evidence that big box stores are in danger of closing without selling beer/wine at their gas station, however it is credible to assume that this unfair competition will drive smaller competitors from the marketplace.

Grand Ledge, Michigan (corner of M-100 & M-43)



BP Station
Not allowed under
SB 345



Meijer Station
Allowed under
SB 345



Shell Station
Not allowed under
SB 345